

**Arkansas Medicaid
Budget Projections - State General Revenue (\$ Millions)
Biennium Budget - SFYs 2014 & 2015
Updated January 31, 2013**

	SFY 2014 Budget	SFY 2015 Budget
November 2012 - Projected Shortfall (Before ER)	\$ (298)	\$ (367)
<u>Executive Recommendation (ER) - Over SFY 2013 Appropriation</u>		
State General Revenue (SGR)	90	222
General Improvement Fund (GIF)	70	70
Total Executive Recommendation	\$ 160	\$ 292
November 2012 - Projected Shortfall (After ER)	\$ (138)	\$ (75)
<u>Revisions Since November 2012 Update</u>		
Net Change	77	(4)
January 2013 - Updated Projected Shortfall (After ER)	\$ (61)	\$ (79)

Proposed Savings

Efficiencies & Enhanced Medical Management

Dental - Increased utilization management	\$ 7	\$ 7
Medicare crossover claims	5	5
School based claiming	8	8
Outpatient Rehabilitation Services (CHMS, DDTCS, RSPMI and Therapy)		
- Moratorium on new facilities		
- Prior Authorization (PA) beyond 6 total hours/day/beneficiary		
- Additional audits and reviews	10	10
Prescription Drugs - ARKids A & B Prior Authorization (PA) beyond 6/month/beneficiary	5	5
	\$ 35	\$ 35

Provider Rate Freezes & Reductions

Institutions - One year rate inflation delay	\$ 20	\$ 20
Other Providers - Rate reduction (3%)	18	18
	\$ 38	\$ 38
Estimated Total Savings	\$ 73	\$ 73

January 2013 - Updated Projected Balance (After Proposed Savings)	\$ 12	\$ (6)
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